

JUDSON H. HILL, ESQ.

October 5, 2018

By ECFS

Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Sage Telecom Communications, LLC and Telscape Communications, Inc. d/b/a TruConnect; WC Docket Nos. 17-287, 11-42, 09-197, 18-213.

Dear Ms. Dortch:

On October 4, 2018, I, a former Georgia State Senator and current advisor to Telscape Communications, Inc. d/b/a TruConnect and Sage Telecom Communications, LLC (collectively, (TruConnect)) met with Commissioner Michael O'Rielley to discuss TruConnect's Lifeline service and the FCC Order, Notice of Proposed Rulemaking and Notice of Inquiry released by the Commission on December 1, 2017¹ and Notice of Inquiry, released by the Federal Communications Commission on August 3, 2018, WC Docket No. 18-213.¹

In the meeting we discussed TruConnect's history of investment and innovation in the telecommunications space as an eligible telecommunications carrier (ETC) offering Lifeline services since 2006. TruConnect has been an industry leader in self-regulation, an advocate for program reforms, a staunch defender of the integrity of the Lifeline program through outreach and advocacy and active in telemedicine initiatives.

I shared that TruConnect shares the Commissioner's goals of bridging the digital divide and advancing telemedicine opportunities for all Americans; that there may be no more important existing FCC program than Lifeline to support that effort since without access to a Lifeline device because millions of Americans simply cannot afford to stay connected and thus they risk falling further behind in our digital economy. Furthermore, I discussed that lower income Americans historically have difficulty accessing world class healthcare and summarized TruConnect's recent Comments filed on the Notice of Inquiry on the proposed Connect Care Pilot Program.

I emphasized that current technologies enable a Lifeline device to be used to access innovative telemedicine opportunities thereby improving health and healthcare access for lower income Americans. Over the years, TruConnect and other ETCs have helped millions of Americans to stay connected. Without this service, many low-income Americans would incur even greater challenges finding employment, accessing healthcare and helping their children completing homework away from school, not to mention reaching emergency first responders.

¹ See *Bridging the Digital Divide for Low-Income Consumers et al.*, WC Docket No. 17-287 et al., Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of

In addition, I emphasized that TruConnect supports the Commission's goal of rooting out any remaining waste, fraud and abuse in the Lifeline program. TruConnect supports the Commission's decision to implement a National Verifier and during the meetings suggested that the Commission allow time for it to be fully implemented before making any changes to the status of resellers in the Lifeline program. I noted that the National Verifier program has broad bipartisan support as the key tool to confirm that only people who are eligible receive Lifeline discounted service.² I discussed, however, the proposed application programming interfaces (API) and the change in policy from the originally proposed separate portal for agent-assisted eligibility verification through the National Verifier which has already created many challenges for potential subscribers, ETCs and for the government. I noted several filings' references to the numerous challenges with the National Verifier as currently designed as well as its inefficiencies and huge customer service demands the current two-step verification process creates for the FCC. I mentioned that the proposed APIs that many ETCs advocate for are similar to the technologies used by most every other established federal programs. Those APIs provide a very efficient way to exchange information between companies and the government and should be re-considered for the National Verifier. APIs provide enhanced accountability and would help the FCC produce more accurate reliable data. Use of APIs would also allow the government to first evaluate the effectiveness of the National Verifier and the status of current fraud and abuse in the program before making other program changes.

When USAC designed the final National Verifier last year, however, the API was not included so now in the rollout the subscribers must learn and self-navigate the eligibility verification process without agent assistance before then *repeating* the same process with a carrier who must collect the *same* information and *again* verify eligibility before they enroll the subscriber. The consequence is that many otherwise eligible people may now find the new verification process too challenging and not enroll in the program which could have helped them find a job, stay employed or obtain emergency and healthcare services. Under the current National Verifier design, rural Americans and those lacking access to healthcare will undoubtedly be harmed the most since disproportionately they depend on web-based enrollment and lack access to in-person assistance because it is costly to dispatch sales agents to lightly-populated areas.

In addition, I discussed that TruConnect, like most if not all ETCs, has been subject to scores of audits. The results of TruConnect audits demonstrate their unblemished and stellar record and their commitment to compliance. Rather than eliminate resellers from the Lifeline program, during the meetings I offered support for a "conduct-based requirements" approach for resellers and possible licensing of agents. I further explained that conduct-based requirements will improve program integrity, target non-compliant ETC's and agents, and is a very effective approach to combating waste, fraud and abuse rather than simply eliminating all resellers regardless of their compliance safeguards or history as mentioned in the Lifeline Item.³ Furthermore, I emphasized that conduct-based requirements will benefit subscribers and help assure that a greater percentage of subscribers across America obtain better access

¹ cont'd Proposed Rulemaking, and Notice of Inquiry, FCC 17-155 (Nov. 16, 2017); *see* Notice of Inquiry, released by the Federal Communications Commission on August 3, 2018, WC Docket No. 18-213.

² *See* Ex Parte filing from Counsel to Q Link Wireless, LLC, WC Docket No. 17-287, WC Docket

to job and education opportunities plus access to healthcare and emergency first responders.

Continuing, I emphasized that access to the nationwide wireless networks ETCs is not offered on a retail basis to Lifeline subscribers other than through wireless resellers. I suggested that this was because these network facilities-based operators have made the rational business and financial decision that they should focus on their higher revenue margin lines of business and could earn more money as wholesale providers without the higher administrative costs of serving Lifeline subscribers. Likewise, smaller facilities-based wireless providers have shown a lack of interest in expanding their Lifeline offerings for similar reasons as the larger facilities providers. I noted that most of the facilities based wireless providers have opposed the proposal to eliminate resellers from the Lifeline program.⁴

I also spoke about port freezes and explained how subscribers and the program integrity would improve if subscribers are required to stay with carriers longer, perhaps 60 days. I explained that a 60-day port-freeze will reduce waste, fraud and abuse because frequent switching, or churning, increases FCC costs for verification of subscribers, and churn may “encourage” fraud and makes eligibility verification more difficult and less reliable. I also explained that regulatory certainty and reduced subscriber churning, in other words a port freeze requirement, brings stability and economic certainty for ETCs. Consequently, many ETCs like TruConnect, would then readily expand their offerings across America plus offer, for example, innovative add-on healthcare and job search application technologies to the Lifeline devices. I further discussed how a port freeze will benefit any telehealth initiative.

Lastly, I shared that in 2010 the Commission froze admission in certain states that allowed the FCC to control their ETC program entrance (“default states”). This freeze has never been removed even with subsequent rule changes and new eligibility verification requirements. I suggested that removal of the default state freeze would bring needed competition in those states, benefit Lifeline subscribers and improve access to connectivity especially in rural areas.

I concluded our conversations with assurances that TruConnect would participate actively and constructively in the Lifeline rulemaking to help the Commission meet their objectives related to telehealth and to improve the Lifeline program with the goal of ensuring that the program meets its full

² cont’d No. 11-42 and WC Docket No. 09-197 filed May 25, 2018 and supplemented May 31, 2018.

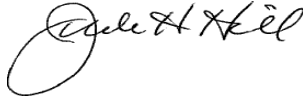
³ See *Bridging the Digital Divide for Low-Income Consumers et al.*, (Lifeline Item) ¶ 73.

⁴ See Letter from Meredith Atwell Baker, President & CEO of CTIA to Chairman Ajit Pai, Commissioner Mignon Clyburn, Commissioner Michael O’Rielly, Commissioner Brendan Carr, Commissioner Jessica Rosenworcel, WC Docket No. 17-287 et al. (filed Nov. 8, 2017); Letter from Norina Moy, Director, Government Affairs of Sprint to Marlene H. Dortch, Secretary, FCC, WC Docket no. 17-287 et al. (filed Nov. 9, 2017).

potential of bridging the digital divide across America and helping improve Americans' lives.

Pursuant to section 1.1206(b) of the Commission's rules, this letter is being filed electronically.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Judson H. Hill". The signature is fluid and cursive, with a large loop at the beginning.

Judson H. Hill, Esq. Judson@judsonhill.com

Advisor to TruConnect and Sage

cc: Chairman Pai
Commissioner O'Rielley
Jay Schwarz